



Federal Reserve
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New England Public Policy Center
at the Federal Reserve Bank of Boston

Economic Outlook for New England

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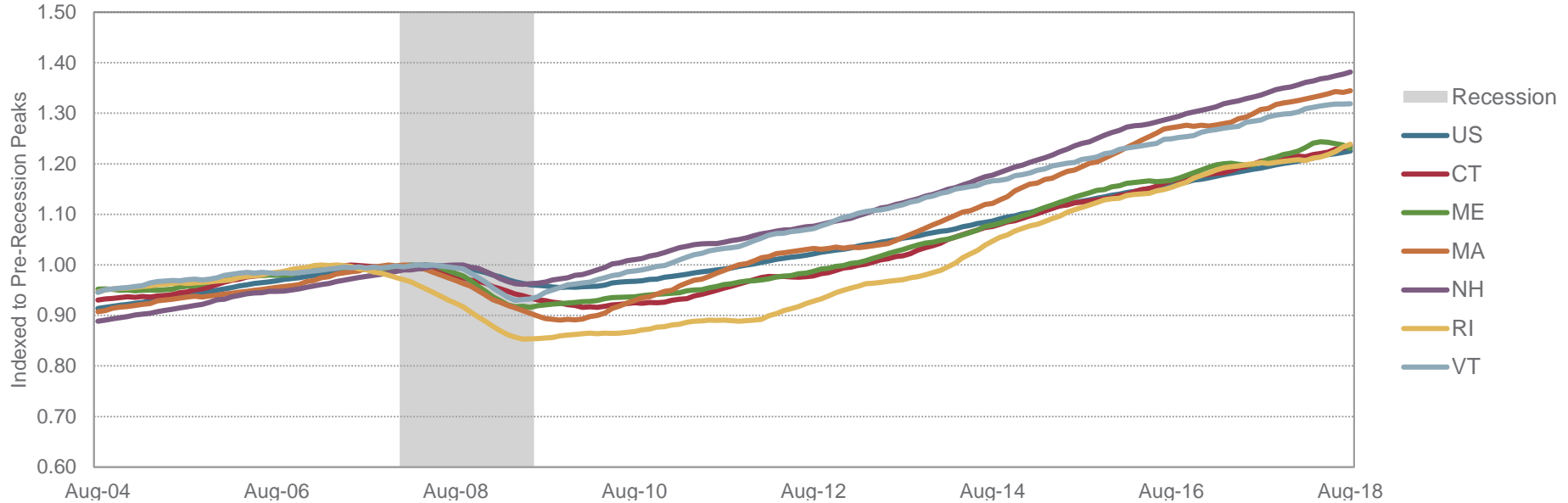
Disclaimer: The views expressed here are those of the speaker and do not necessarily represent the views of the Federal Reserve Bank of Boston or the Federal Reserve System.



About NEPPC

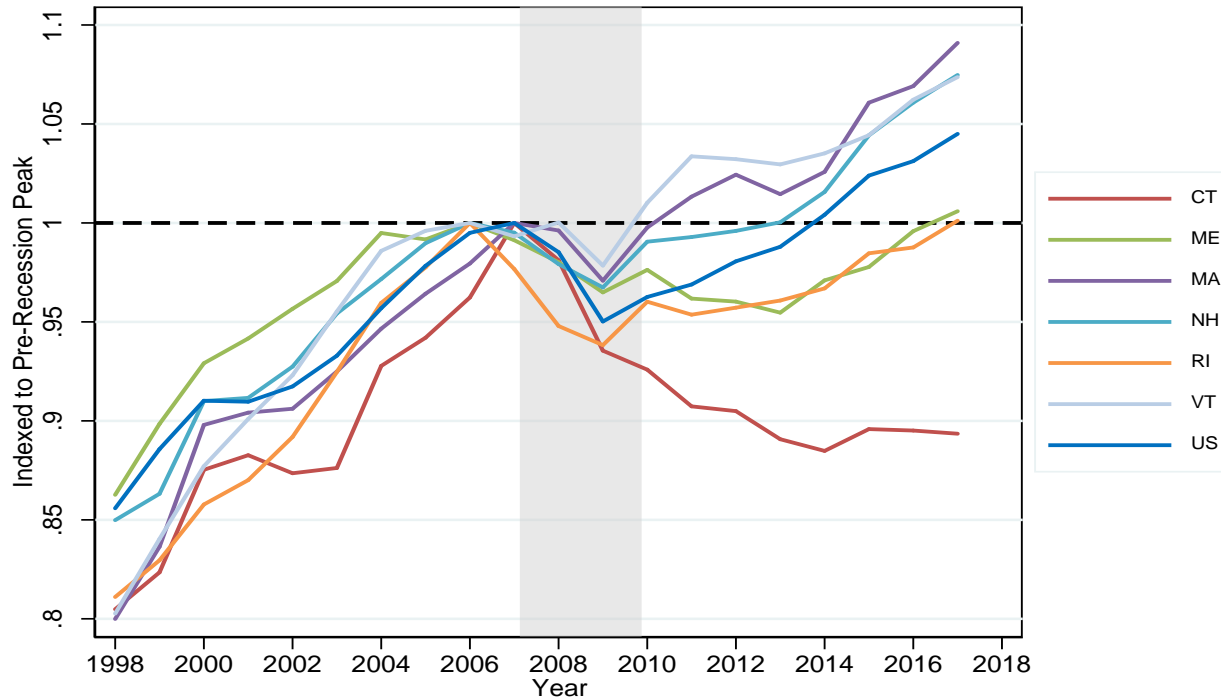
The Boston Fed's New England Public Policy Center promotes better public policy in New England by conducting and disseminating objective, high-quality research and analysis of strategically identified regional economic and policy issues.

State Coincident Economic Activity Indexes



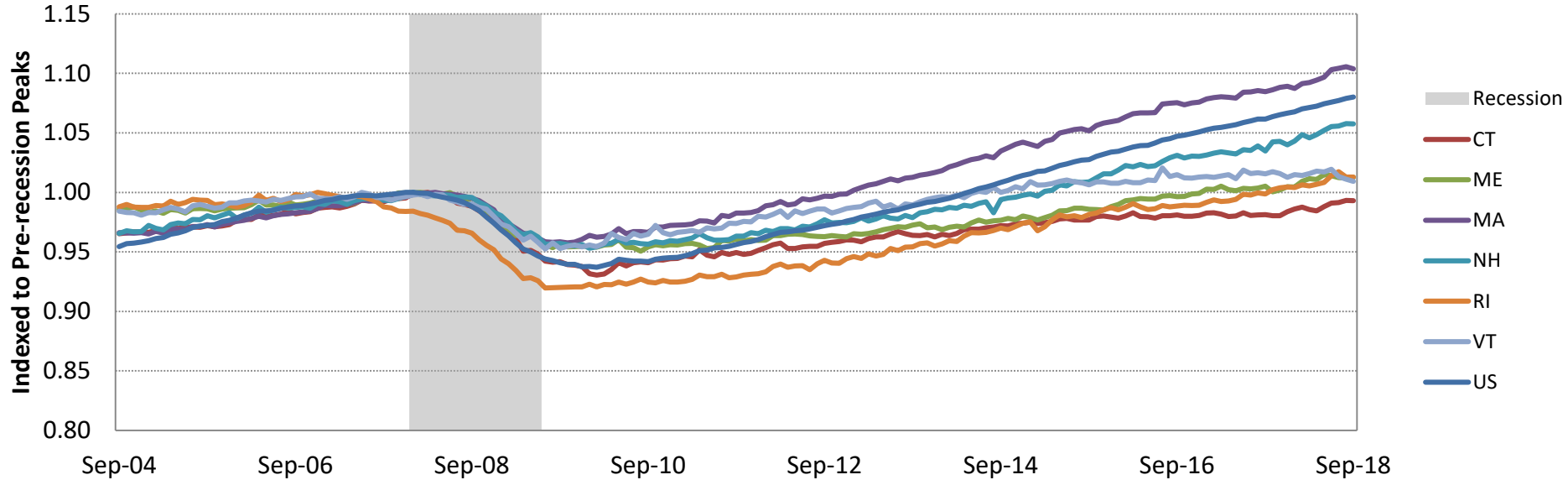
Source: Federal Reserve Bank of Philadelphia, NBER, Haver Analytics

Real GDP Per Capita



Source: Bureau of Economic Analysis, Haver Analytics

Non-Agricultural Employment



Source: Bureau of Labor Statistics, NBER, Haver Analytics

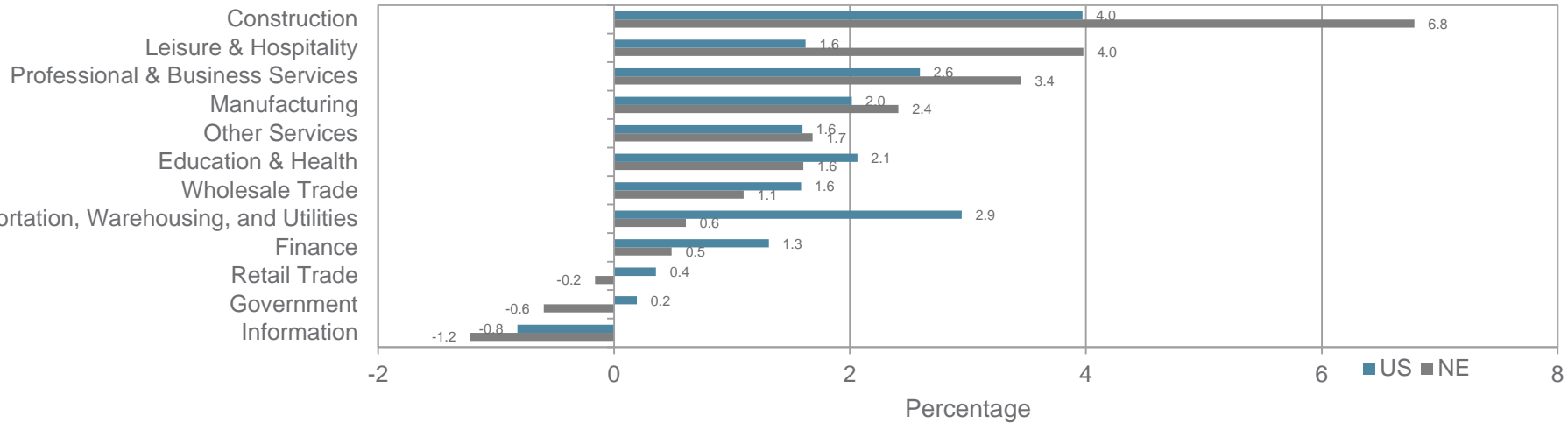
Employment Growth Rates

	Annual Long-Term Trend	Last 12 Months		Since Peak	
	Percent	Percent	Number	Percent	Number
United States	1.4	1.6	2,417,000	7.9	10,947,000
New England	0.9	1.5	108,500	5.7	407,400
Connecticut	0.5	1.1	18,800	-0.8	-13,700
Maine	1.1	0.8	5,100	1.2	7,400
Massachusetts	0.9	1.9	68,100	10.6	353,400
New Hampshire	1.5	1.8	11,900	5.7	37,400
Rhode Island	0.7	1.3	6,400	1.3	6,200
Vermont	1.3	-0.6	-1,800	1.1	3,300

Source: Bureau of Labor Statistics, Haver Analytics

Employment Growth by Industry

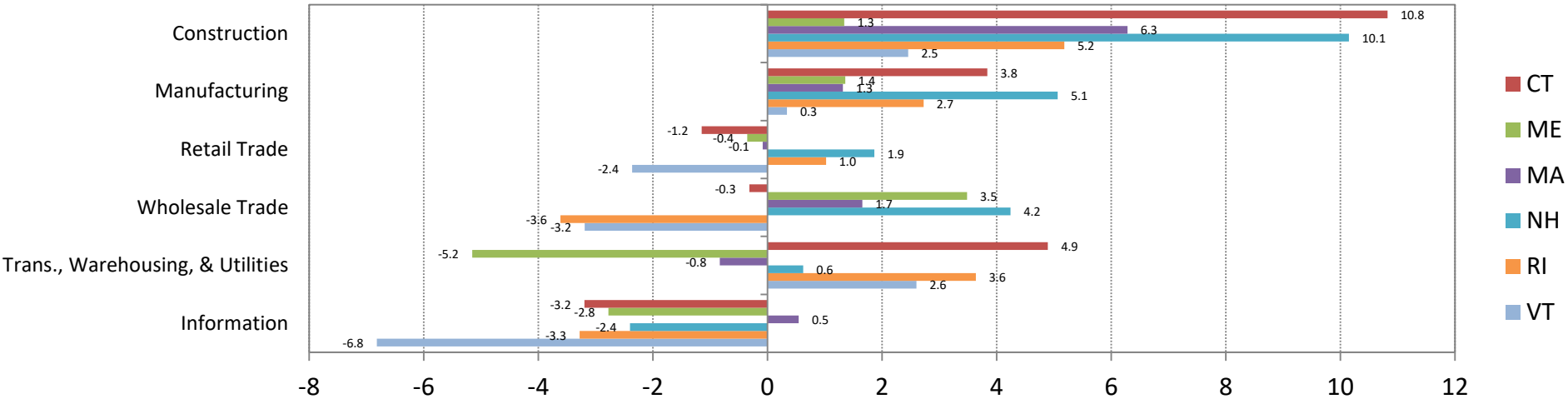
Percent Change, August 2017 - August 2018



Source: Bureau of Labor Statistics, Haver Analytics

State Employment Growth by Industry

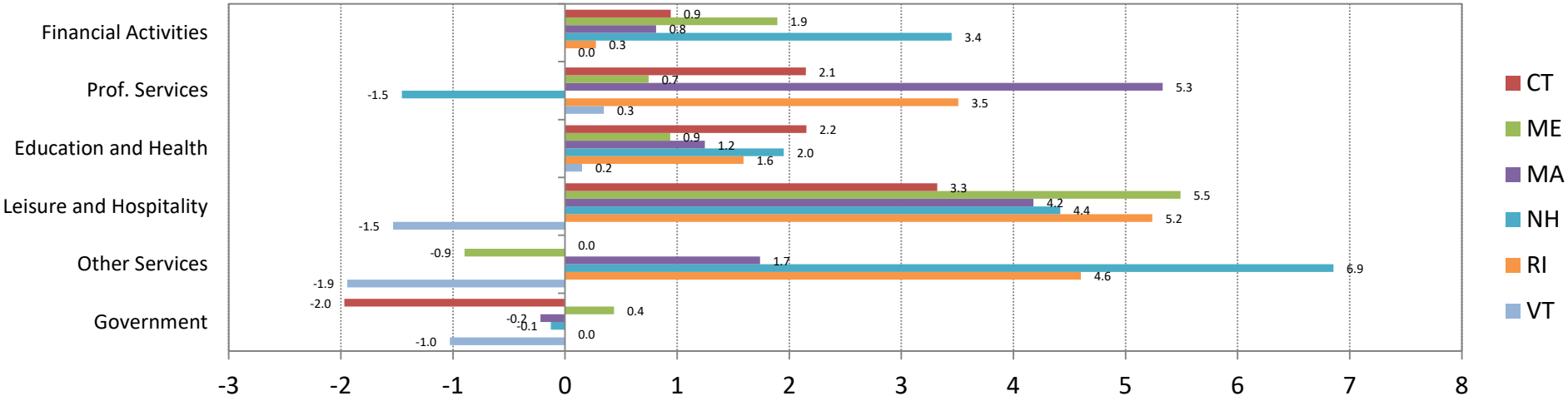
Percent Change, September 2017 - September 2018



Source: Bureau of Labor Statistics, Haver Analytics

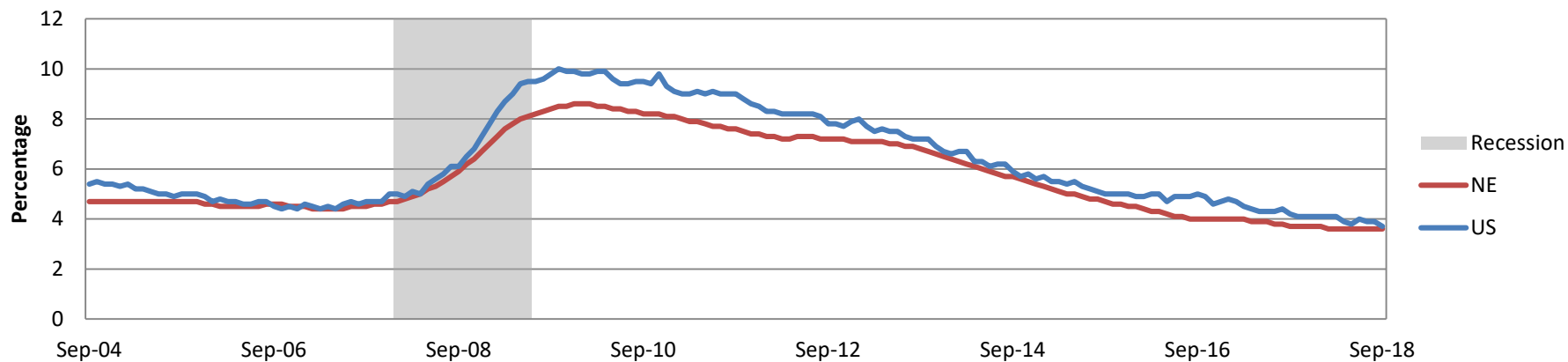
State Employment Growth by Industry

Percent Change, September 2017 - September 2018



Source: Bureau of Labor Statistics, Haver Analytics

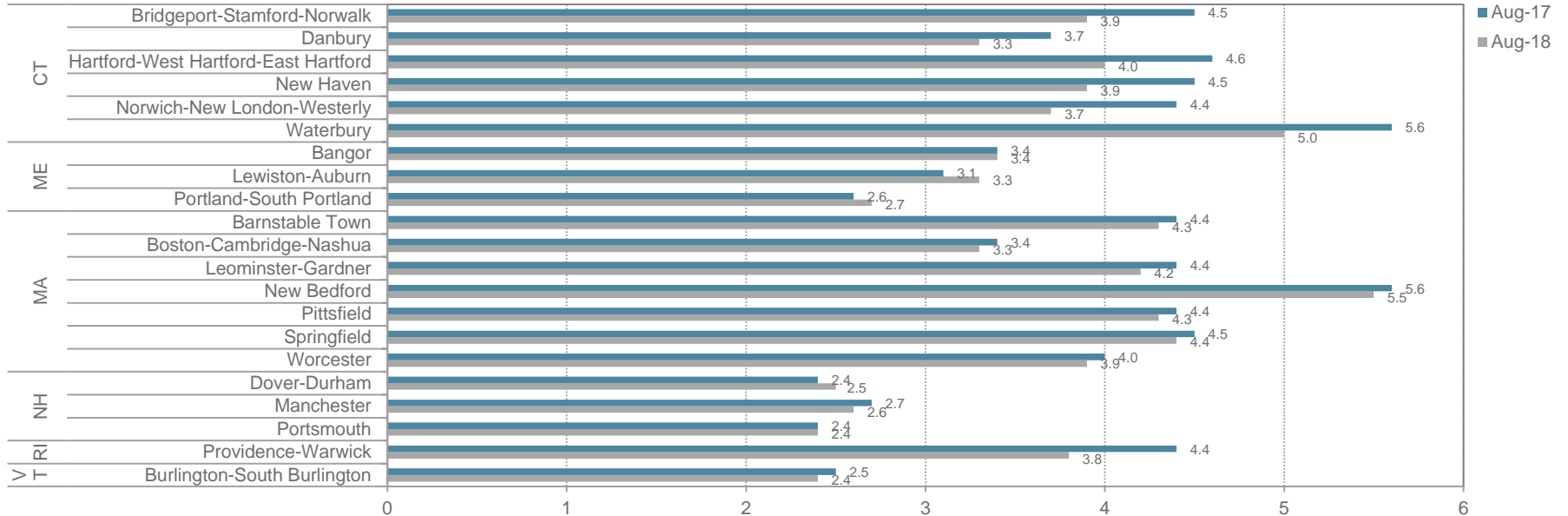
Unemployment Rates



	Sep-17	Sep-18
United States	4.2	3.7
New England	3.7	3.6
Connecticut	4.5	4.2
Maine	3.3	3.3
Massachusetts	3.6	3.6
New Hampshire	2.6	2.7
Rhode Island	4.5	3.9
Vermont	2.9	2.9

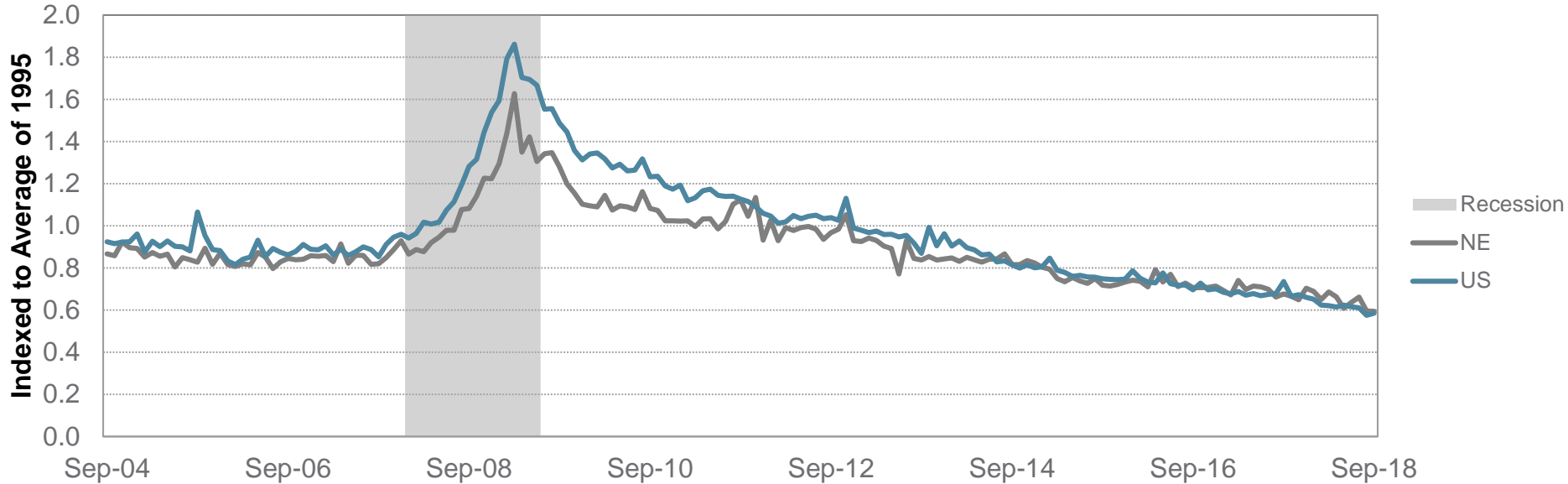
Source: Bureau of Labor Statistics, NBER, Haver Analytics

Unemployment Rates in New England by Metropolitan Areas



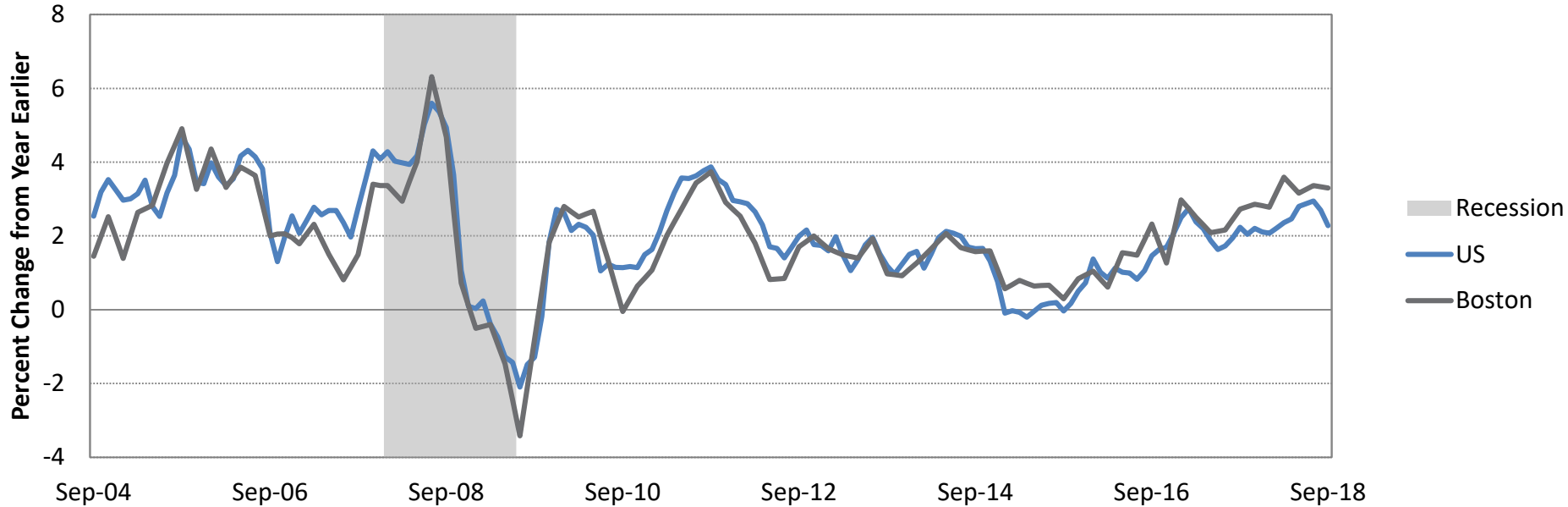
Source: Bureau of Labor Statistics, Haver Analytics, Federal Reserve Bank of Boston

Initial Claims for Unemployment Insurance



Source: Department of Labor, NBER, Haver Analytics, Federal Reserve Bank of Boston

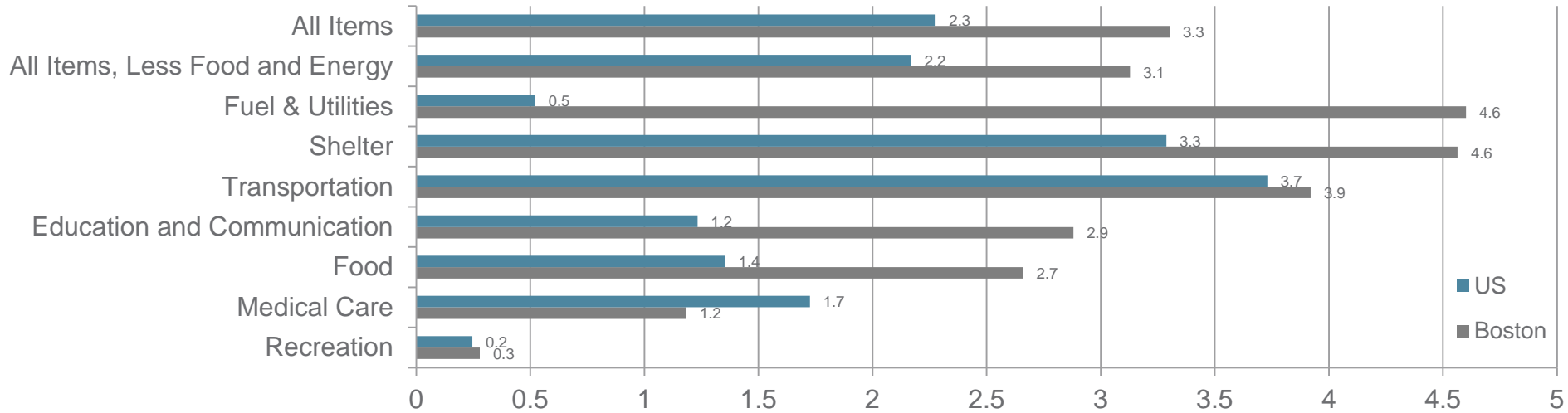
Consumer Price Index



Source: Bureau of Labor Statistics, NBER, Haver Analytics

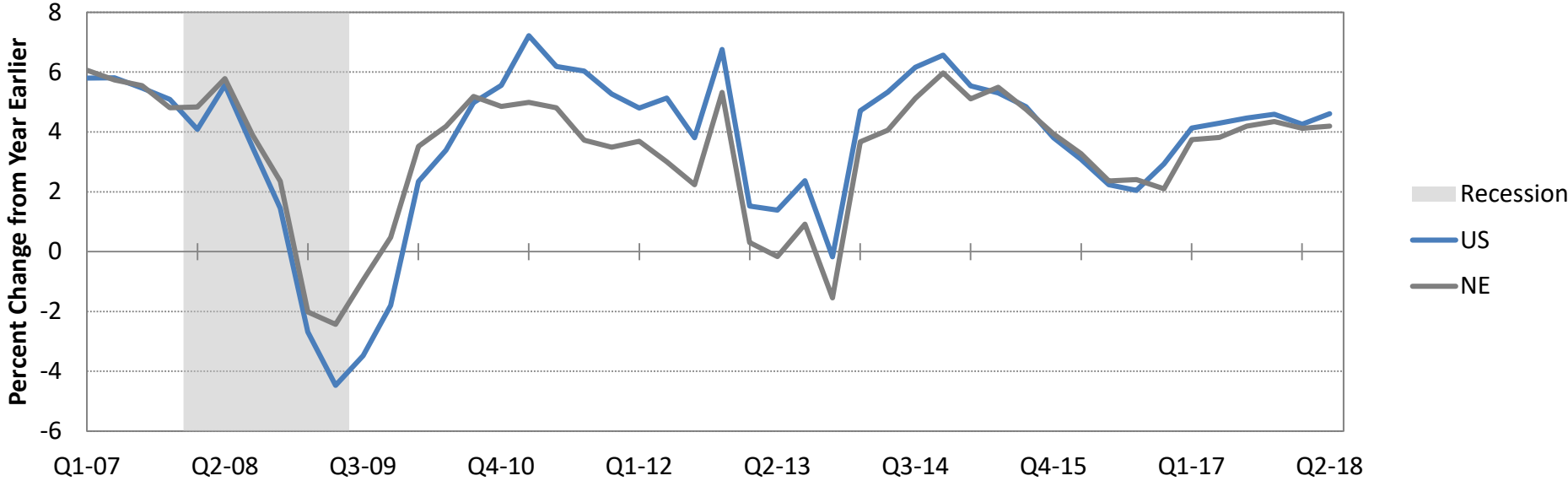
Components of the Consumer Price Index

Percent Change, September 2017 - September 2018



Source: Bureau of Labor Statistics, Haver Analytics

Total Personal Income



Source: Bureau of Economic Analysis, Haver Analytics

Income and Wage Growth

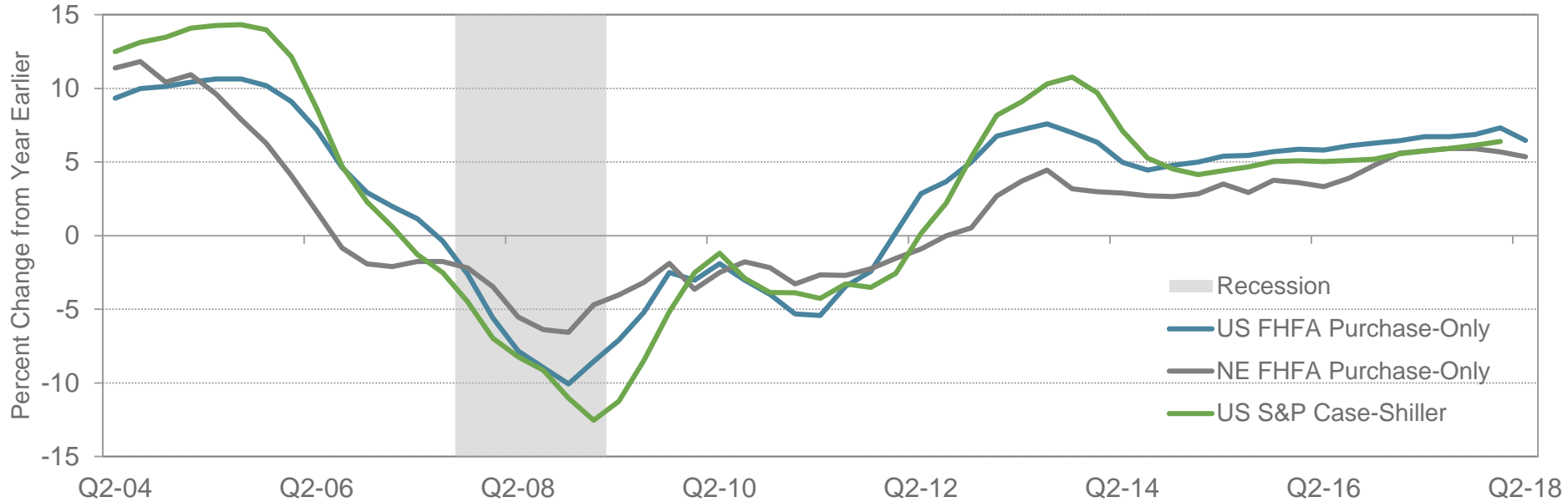
Exhibit 5.2: Income and Wage/Salary Changes - to Q2 2018

	Personal Income			Wage and Salary Disbursements		
	Jun-2018	1-Qtr. Chg.	1-Yr. Chg.	Jun-2018	1-Qtr. Chg.	1-Yr. Chg.
United States	17,481,958	1.0%	4.6%	8,799,710	1.1%	4.9%
New England	986,478	0.7%	4.2%	494,364	0.5%	4.2%
Connecticut	265,637	1.0%	3.5%	117,067	0.9%	2.1%
Maine	64,421	1.0%	4.6%	29,828	1.2%	4.7%
Massachusetts	481,897	0.5%	4.5%	265,866	0.3%	5.1%
New Hampshire	83,270	0.7%	4.8%	38,652	0.4%	5.7%
Rhode Island	57,780	0.5%	4.0%	27,647	0.3%	2.6%
Vermont	33,473	0.9%	3.1%	15,303	1.1%	3.6%

Source: U.S. Bureau of Economic Analysis/Federal Reserve Bank of Boston.

Note: Data represent millions of dollars and are seasonally adjusted.

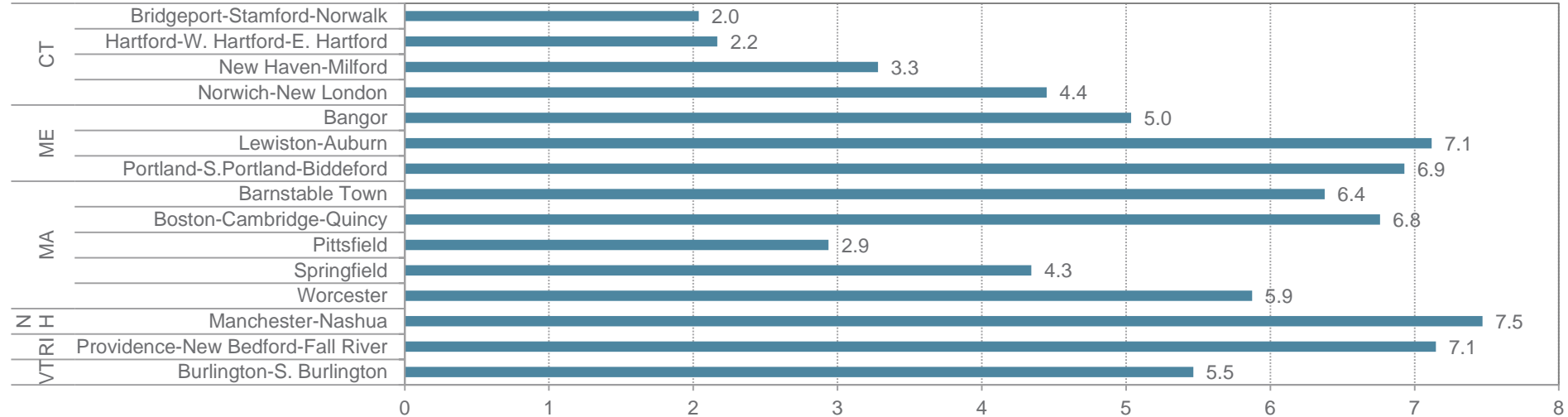
Repeat-Sales Home Price Index



Source: FHFA, NBER, S&P/Case-Shiller, Haver Analytics

House Price Changes in New England Metropolitan Areas

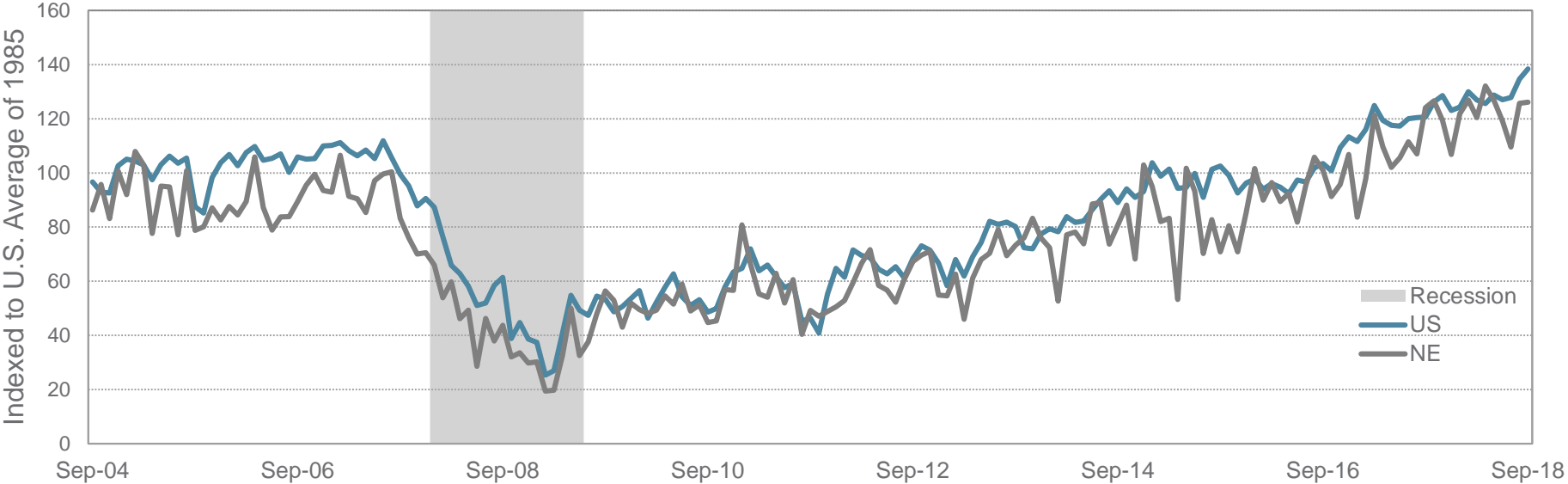
Percent Change, Q2 2017 - Q2 2018



Note: changes calculated using single family homes

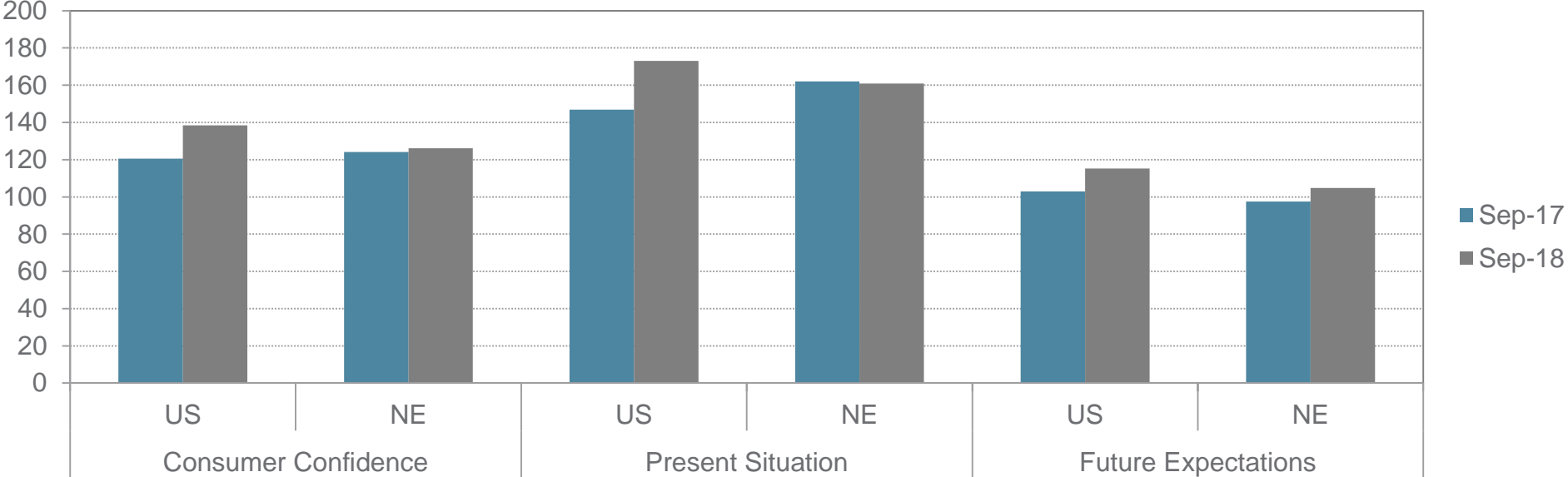
Source: Freddie Mac Home Loan Mortgage Corporation, Haver Analytics

Consumer Confidence



Source: The Conference Board, NBER, Haver Analytics

Consumer Confidence



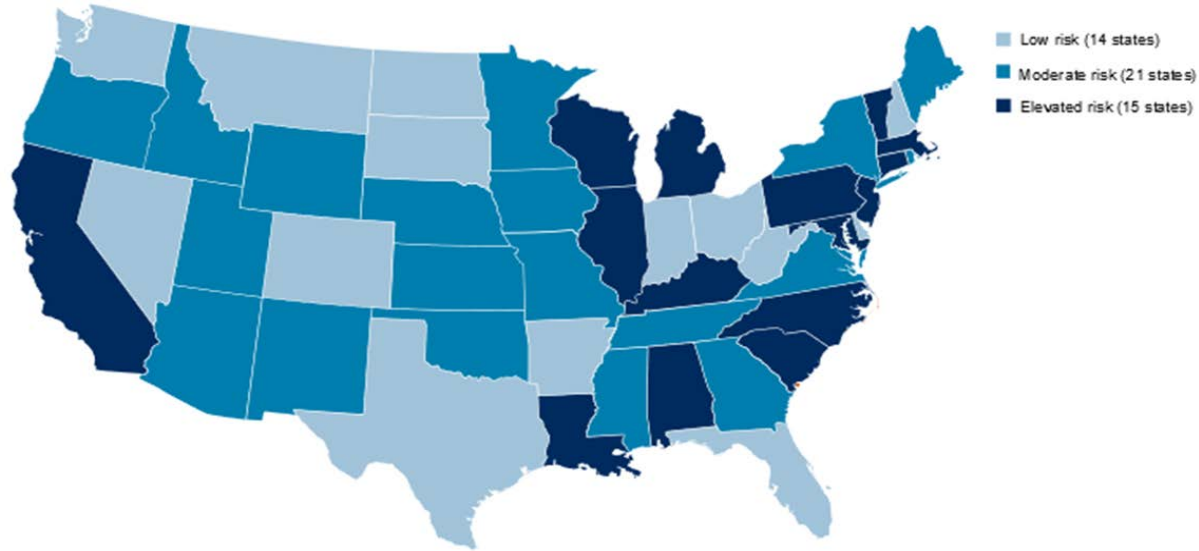
Source: The Conference Board, Haver Analytics

NEEP Forecast for New England

	2016	2017	2018	2019	2020	2021
	actual	forecast	forecast	forecast	forecast	forecast
Labor force						
In 1,000s	7,817	7,916	7,961	7,999	8,035	8,068
% change	0.2%	1.3%	0.6%	0.5%	0.4%	0.4%
Population						
% change	0.2%	0.3%	0.4%	0.4%	0.4%	0.4%
Gross Product						
% change	1.8%	1.9%	2.1%	1.7%	1.7%	1.9%






Source: New England Economic Partnership, Fall Forecast, November 2017.

State Susceptibility to Fiscal Distress in Recession



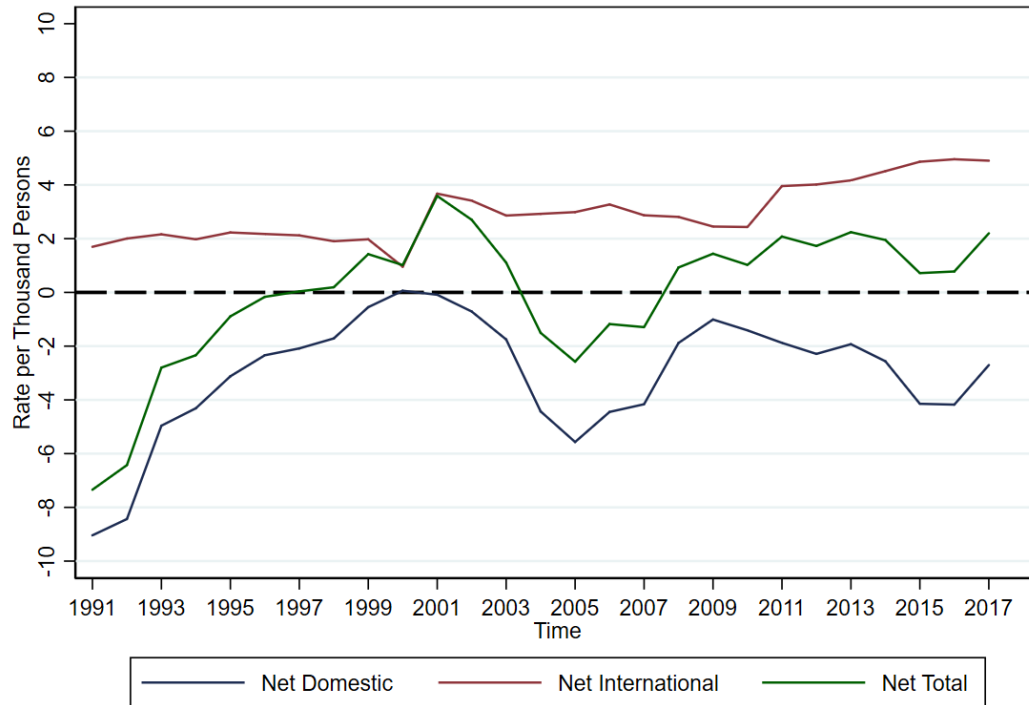
Source: S&P Global Market Intelligence; “When the Credit Cycle Turns, U.S. States May be Tested in Unprecedented Ways”

Three New England States on U.S. News' Top Ten List

Overall	State	Health Care	Education	Economy	Opportunity	Infrastructure	Crime & Corrections	Fiscal Stability	Quality of Life
#5	 New Hampshire	13	4	11	1	37	2	26	4
#6	 Washington	2	6	3	27	4	39	27	21
#7	 Nebraska	19	9	21	13	9	20	11	14
#8	 Massachusetts	5	1	9	14	45	5	40	25
#9	 Vermont	6	8	31	6	35	7	16	26

Source: U.S. News and World Report: <https://www.usnews.com/news/best-states/rankings>

Net Migration Rates in New England



Source: Census Bureau/Haver Analytics



Thank You

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